



BOULT ■ CUMMINGS
CONNERS ■ BERRY PLC

Henry Walker
(615) 252-2363
Fax: (615) 252-6363
Email: hwalker@boultcummings.com

April 5, 2002

REC'D TH
REGULATORY
'02 APR 5 PM 4 14

OFFICE OF THE
EXECUTIVE SECRETARY

David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243

Re: *Petition for Approval for the Acquisition of Majority Ownership of
Tumlinson Engineering, Inc. by Michael D. Horton*
Docket No. 02-00384

Dear David:

Enclosed are the original and thirteen copies of the Petition for Approval as stated above for Tumlinson Engineering, Inc. Exhibit D is being filed under seal because it contains proprietary and confidential information. Thank you for your assistance in this matter.

Very truly yours,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

By:

Henry Walker

HW/nl
Attachment

BEFORE THE TENNESSEE REGULATORY AUTHORITY

IN THE MATTER OF:

**PETITION FOR APPROVAL FOR THE
ACQUISITION OF MAJORITY
OWNERSHIP OF TUMLINSON
ENGINEERING, INC., BY MICHAEL D.
HORTON**

DOCKET NO. _____

I. INTRODUCTION

Counce Natural Gas Corporation ("Counce") and its parent Tumlinson Engineering, Inc. ("Tumlinson"), by their attorneys, respectfully request authority from the Tennessee Regulatory Authority pursuant to Tenn. Code Ann. § 65-4-113 to transfer ownership and control of Tumlinson, and thus its operating subsidiary Counce. E. E. Tumlinson, Sarah T. O'Leary, and Sarah T. O'Leary as custodian for Evan Edward O'Leary under the Mississippi Transfer to Minors Act (collectively the Sellers) will sell all of their capital stock in Tumlinson to Michael D. Horton, Purchaser (all of whom shall be referred to collectively as the "Petitioners"). Following the proposed transaction, Tumlinson will continue to provide services to Tumlinson's customers. Accordingly, the proposed acquisition will be transparent to Tumlinson's customers and is purely a change in stock ownership. In support of this Petition, the Petitioners submit the following information:

II. THE PETITIONERS

A. Tumlinson Engineering, Inc.

Tumlinson is a privately held corporation organized and existing under the laws of the State of Mississippi. Tumlinson owns all of the outstanding and issued stock of Counce Natural Gas Corporation ("Counce"), a Tennessee Corporation, which operates a natural gas pipeline and marketing service for its customers located in Counce, Tennessee and southwest Hardin County.

Tumlinson's principal place of business is 944 East Jordan Avenue Extended, West Point, Mississippi. Copies of Tumlinson's corporate charter, Exhibit "A"; a list of its directors and officers, Exhibit "B"; stock purchase agreement, Exhibit C; balance sheet for corporation, Exhibit "D"; and corporation's operating statement for past twelve months, Exhibit "E"; are attached hereto.

B. Sellers

Evan E. Tumlinson is the owner of 23.40 shares of stock in Tumlinson. Sarah T. O'Leary, individually, owns 6.65 shares of stock in Tumlinson. Sarah T. O'Leary as custodian for Evan Edward O'Leary under the Uniform Mississippi Transfers to Minors Act, owns 6.65 shares in Tumlinson. William M. Tidwell, who is not a party to the transaction for which the Petitioners seek approval, owns 6.65 shares of stock in Tumlinson. Tumlinson holds 6.65 shares of stock as treasury stock.

C. Purchaser

Michael D. Horton is a resident of Mantachie, Mississippi, and is a certificated operator approved by the Mississippi Public Service Commission. Horton is a former officer and shareholder of Tumlinson and is presently Vice President of Counce Natural Gas Corporation.

III. DESIGNATED CONTACTS

The designated contacts for questions concerning this Petition are:

Henry Walker, Esq.
Boult, Cummings, Conners & Berry, PLLC
414 Union Street, Suite 1600
Nashville, Tennessee 37219
Telephone: (615) 252-2363
Fax: (615) 252-6363

Michael D. Horton
P.O. Box 56
Mantachie, MS 38855
Telephone: (662) 282-7254
Fax: (662) 282-7451

IV. DESCRIPTION OF THE PROPOSED TRANSACTION

Tumlinson, Purchaser and Seller have entered into a stock purchase agreement (the agreement) pursuant to which for due consideration, part of the capital stock held by E. E. Tumlinson, Sarah T. O'Leary, and Sarah T. O'Leary as custodian, will be sold to Purchaser, and part of the capital stock will be purchased by Tumlinson, so as to make Purchaser the owner of a majority of the outstanding shares of stock in the Corporation. A true and accurate copy of the agreement is attached hereto as Exhibit C. The proposed transaction pursuant to the agreement will be accomplished in a seamless fashion that will not adversely affect the provision of natural gas or natural gas services to Tumlinson's customers in the state of Tennessee. In fact Purchaser intends to inject sufficient capital to expand these services to areas within the community that do not have natural gas capabilities. Consequently, the proposed transaction will be transparent to and have no detrimental impact on Tumlinson's Tennessee customers.

V. PUBLIC INTEREST CONSIDERATIONS

Consummation of this transaction will serve the public interest for the following reasons:

1.

Purchaser's knowledge of Tumlinson's operations will ensure an efficient and smooth transition of ownership and eliminate any operational bumps. Purchaser is experienced in management of natural gas distribution systems and natural gas marketing and holds a current Operator's Certificate from the Mississippi Public Service Commission. The Purchaser's experience will enable Tumlinson to expand its existing distribution system to Tennessee customers which will inure to the benefit of Tennessee customers.

2.

The proposed transaction will be transparent to the Tennessee customers since Tumlinson (parent corporation of Counce) will continue to operate under the same name and with management knowledgeable of Tumlinson's operations. Tumlinson, under new ownership, will pursue the expansion of service in its certificated area, providing more economic and efficient alternatives to the public.

VI. CONCLUSION

For the reasons stated herein, the Petitioners respectively request that the Authority grant this Petition and approve the transaction described herein and grant all other relief as necessary and appropriate to effectuate the transaction described herein.

DATED this the 5th day of April, 2002.

BOULT CUMMINGS CONNERS & BERRY
PLC

By: _____

Henry Walker

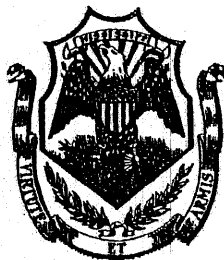
COUNSEL FOR COUNCE
NATURAL GAS CORPORATION

LIST OF EXHIBITS

- EXHIBIT A TUMLINSON ENGINEERING, INC. CORPORATE CHARTER
- EXHIBIT B TUMLINSON ENGINEERING, INC. OFFICERS, DIRECTORS, AND STOCKHOLDERS
- EXHIBIT C TUMLINSON ENGINEERING, INC. STOCK SALE AGREEMENT
- EXHIBIT D BALANCE SHEET FOR TUMLINSON ENGINEERING, INC.

EXHIBIT A – CORPORATE CHARTER

BOOK 014 PAGE 56
State of Mississippi



Office of Secretary of State
Jackson

Certificate of Incorporation

of

TUMLINSON ENGINEERING, INCORPORATED

The undersigned, as Secretary of State of the State of Mississippi, hereby certifies that duplicate originals of Articles of Incorporation for the above named corporation duly signed and verified pursuant to the provisions of the Mississippi Business Corporation Act, have been received in this office and are found to conform to law.

ACCORDINGLY the undersigned, as such Secretary of State, and by virtue of the authority vested in him, by law, hereby issues this CERTIFICATE OF INCORPORATION, and attaches hereto a duplicate original of the Articles of Incorporation.



Given under my hand and Seal of Office,
this the 14th day of September,
1967 .

ARTICLES OF INCORPORATION
OF
TUMLINSON ENGINEERING, INCORPORATED



BOOK 014 PAGE 57

We, the undersigned natural persons of the age of twenty-one years or more, acting as incorporators of a corporation under the Mississippi Business Corporation Act, as Amended, adopt the following Articles of Incorporation for such corporation:

1.

The name of the corporation is TUMLINSON ENGINEERING, INCORPORATED.

2.

The period of its duration is ninety-nine years.

3.

The purpose or purposes for which the corporation is organized are: to engage in the practice of professional engineering in the State of Mississippi in accordance with the authorization of Section 8791-24 of the Mississippi Code of 1942, Recompiled, as amended, and according to the requirements and standards of all other laws and statutes of the state of Mississippi concerned with the professional practice of engineering; to own, erect, construct, maintain and improve, rebuild, enlarge, alter, manage and control any and all kinds of buildings, offices, shops, and any other structures for the purpose of engaging in the practice of professional engineering, and in all other

individuals and others, and to give any guaranty in connection therewith, or otherwise, for the payment of money or for the performance of any other undertaking or obligation; to have and exercise all powers granted to corporations of this type by the Mississippi Business Corporation Act, as amended; and to do all things and matters incident to the usual and ordinary, convenient and full development of the foregoing businesses to be conducted.

4.

The aggregate number of shares which the corporation shall have authority to issue is 5000 shares of the par value of \$10.00 each, all common stock of the same class.

5.

The corporation will not commence business until consideration of the value of at least \$1,000 has been received for the issuance of shares.

6.

Provisions limiting or denying to shareholders the preemptive right to acquire additional or treasury shares of the corporation are:
None.

7.

The postoffice address of the initial registered office of the corporation is 831 Main Street, Greenville, Mississippi, and the name of the initial registered agent of the corporation at such address is Evan E. Tumlinson.

persons who are to serve as directors until the first annual meeting of the shareholders, or until their successors are elected and shall qualify are:

Evan E. Tumlinson, 831 Main Street, Greenville, Mississippi

M. L. Virden, III, 831 Main Street, Greenville, Mississippi

Paul F. Roberson, 831 Main Street, Greenville, Mississippi

9.

The name and postoffice address of each incorporator is:

James L. Robertson, 119 North Broadway, Greenville, Mississippi

Evan E. Tumlinson, 831 Main Street, Greenville, Mississippi

10.

No shareholder shall sell any of his shares of the capital stock of the corporation to any person not a shareholder thereof except after giving to each other shareholder the right of first refusal for such shares as are proposed to be sold at the price offered for such shares by a third party purchaser. The right of the other shareholders to purchase according to these terms, which purchase must be made on a pro rata basis according to the holdings of the shareholders at the time of such proposed sale, shall be limited to a period of 15 days from the receipt of written notice from the shareholder proposing to make such sale, such notice to contain the number of shares proposed to be sold and the price at which the third party purchaser has agreed to buy. If, after the passage of such 15 day period, the share proposed to be sold have not been purchased by the then existing shareholders, or if the then existing share-

BOOK 014 PAGE 60

shareholders of said corporation shall have the totally unrestricted right, the provisions of this paragraph to the contrary notwithstanding, to sell such portion of his shares as he sees fit to some other person of his choosing. With respect to the shares so sold the seller of such shares shall have the right of first refusal as provided generally in this paragraph in the event that the purchaser desires to sell such shares at any time.

WITNESS OUR SIGNATURES this 7th day of September, 1967.

James L. Robertson
JAMES L. ROBERTSON

Evan E. Tumlinson
EVAN E. TUMLINSON

STATE OF MISSISSIPPI
COUNTY OF WASHINGTON

Personally appeared before me, the undersigned authority in and for the County and State aforesaid, the within named JAMES L. ROBERTSON and EVAN E. TUMLINSON, Incorporators of Tumlinson Engineering, Incorporated, who each acknowledged that they signed and delivered the foregoing Articles of Incorporation on the day and year therein mentioned.

GIVEN under my hand and official seal this 7 day of September, 1967.



Ruth S. Thompson
NOTARY PUBLIC

My Commission expires:

ARTICLES OF AMENDMENT

(Attach conformed copy.)

☐ PROFIT ☐ NONPROFIT
(Mark appropriate box)

0 910

179

The undersigned corporation, pursuant to Section 79-4-10.06 (if a profit corporation) or Section 79-11-305 (if a nonprofit corporation) of the Mississippi Code of 1972, hereby executes the following document and sets forth:

The name of the corporation is: TUMLINSON ENGINEERING, INCORPORATED

2. Set forth the text of each amendment adopted. (Attach page.) (See Exhibit A)
3. If a profit amendment provides for an exchange, reclassification, or cancellation of issued shares, set forth the provisions for implementing the amendment if they are not contained in the amendment itself. (Attach page.)
4. The amendment(s) was (were) adopted March 28, 1988

DATE(S)

FOR PROFIT CORPORATION

- (a) adopted by ☐ the incorporators ☐ directors without shareholder action and shareholder action was not required. (Check appropriate box.)

FOR NONPROFIT CORPORATION

- (b) adopted by ☐ board of directors ☐ incorporators without member action and member action was not required. (Check appropriate box.)

FOR PROFIT CORPORATIONS

5. If the amendment was approved by shareholders:

- (a) The designation, number of outstanding shares, number of votes entitled to be cast by each voting group entitled to vote separately on the amendment, and the number of votes of each voting group indisputably represented at the meeting was:

Designation	No. outstanding shares	No. of votes entitled to be cast	No. of votes indisputably represented
Common	100	100	-0-

- (b) Either the total number of votes cast for and against the amendment by each voting group entitled to vote separately on the amendment was:

Voting group	Total no. of votes cast FOR
Common	100

Total no. of votes AGAINST: 8:00 A.M.
-0-

Amount Received:

50

or the total number of undisputed votes cast for the amendment by each voting group was:

Voting group	Total no. of undisputed votes cast FOR the plan

Filed: 4-4-88

and the number cast for the amendment by each voting group was sufficient for approval by that voting group.

FOR NONPROFIT CORPORATIONS

6. If the amendment was approved by the members:

- (a) The designation, number of memberships outstanding, number of votes entitled to be cast by each class entitled to vote separately on the amendment, and number of votes of each class indisputably represented at the meeting

Designation	No. memberships outstanding	No. of votes entitled to be cast	No. of votes indisputably represented

- (b) Either

- (i) the total number of votes cast for and against the amendment by each class entitled to vote separately on the amendment was:

Voting class	Total no. of votes cast FOR the amendment	Total no. of votes cast AGAINST the amendment

Original filed with Secretary of State

or

- (ii) the total number of undisputed votes cast for the amendment by each class was:

Voting group	Total no. of undisputed votes cast FOR the amendment

Secretary of State
State of Mississippi

and the number cast for the amendment by each class was sufficient for approval by that voting group.

By Evan E. Tumlinson, President

PRINTED NAME/CORPORATE TITLE

SIGNATURE

To add as an additional purpose for which the corporation is organized supplemental to the purposes for the corporation as stated in the original Articles of Incorporation issued by the Secretary of State of State of Mississippi on the 14th day of September, 1967 said addition being as follows:

To own and operate a natural gas system; to own and operate other utilities such as water and sewer; and to do all things in connection with the operation and ownership of said utilities and gas systems, including acquiring, construction, operation, and a final disposition or sell of said utility systems subject all of which to those regulatory governmental agency requirements relating to said utilities and/or gas system. The construction and operation of a natural gas system and any other utility systems owned and/or operated by this corporation, including the construction and operation of facilities and any extension of same, shall be in accordance with Chapter 372 of the Laws of Mississippi, 1956, and particularly within the purview of Section 5 (c) of said Public Act.

The page contains a duplicate
original filed with Secretary of State.

Dino McGraw

Secretary of State
State of Mississippi

See Exhibit A

THE STATE OF MISSISSIPPI

County of Clay

I, Harmon A. Robinson, Clerk of the Chancery Court in and for said County and State, do hereby certify that the within Instrument was filed in this office for the record on the 14th day of April, 1988, at 11:27 o'clock A. M. and the was duly recorded in Corp. Record 11 Page 179, on this 8th day of April, 1988. Given under my hand and seal of office at West Point, Mississippi.

By Harmon A. Robinson D. C.
HARMON A. ROBINSON, Chancery Clerk

EXHIBIT B – OFFICERS, DIRECTORS & SHAREHOLDERS

EXHIBIT B

TUMLINSON ENGINEERING, INC. OFFICERS, DIRECTORS, AND STOCKHOLDERS

EVAN E. TUMLINSON PRESIDENT, DIRECTOR, AND STOCKHOLDER

SARAH T. O'LEARY STOCKHOLDER

SARAH T.O'LEARY STOCKHOLDER
as custodian for EVAN E. O'LEARY

DONNA WEBBER SECRETARY/TREASURER

WILLIAM TIDWELL STOCKHOLDER

EXHIBIT C – STOCK SALE AGREEMENT

STOCK PURCHASE AGREEMENT

This Agreement is made and entered into between Evan E. Tumlinson, Sarah T. O'Leary, and Sarah T. O'Leary, as custodian for Evan Edward O'Leary, under the Uniform Mississippi Transfers to Minors Act, hereafter "Sellers", and Tumlinson Engineering, Inc., a Mississippi corporation, hereafter "Corporation," and Michael D. Horton, individually ("Buyer") this the 1st day of October, 2000.

RECITALS

Sellers desire to sell 7.0 shares of stock in Corporation to Buyer, and Buyer desires to purchase 7.0 shares of Sellers' stock in Corporation. Sellers desire to sell 29.70 shares of stock in Corporation and Corporation agrees to purchase 29.70 shares of stock from Sellers.

ARTICLE I.

Sale of Stock

Section 1.1. Sale of Stock.

(a) Each Seller owns the following number of shares in Corporation:

Evan E. Tumlinson	23.40 shares
Sarah T. O'Leary	6.65 shares
Sarah T. O'Leary,	6.65 shares as custodian for Evan Edward O'Leary
under the Uniform Mississippi Transfers to Minors Act	

The following shareholder is not a party to this transaction:

William M. Tidwell 6.65 shares

The Corporation holds 6.65 shares of stock as treasury stock.

(b) On the closing date, Sellers shall transfer to Corporation certificates for 29.70 shares of stock in Corporation. The certificates shall be duly endorsed in blank by the Sellers or shall be accompanied by duly executed stock powers in blank with their signatures guaranteed by a bank.

(c) One day after the closing date, Sellers shall transfer to Buyer certificates for 7 shares of stock in Corporation. The certificates shall be duly endorsed in blank by the Sellers or shall be accompanied by duly executed stock powers in blank with their signatures guaranteed by a bank.

Section 1.2. Purchase Price.

(a) Buyer agrees to pay to Sellers Two Hundred Thirty-eight Thousand, Four Hundred Nineteen and 70/100 Dollars (\$238,419.70) on the following terms and conditions:

1. The purchase price shall be financed by Sellers at the rate of 6 % interest for twenty-five (25) years with a monthly payment of Fifteen Hundred Thirty-six and 14/100 Dollars (\$1,536.14), subject to the adjustments set forth below and on the payment schedule set forth below. Horton shall execute a Promissory Note and Collateral Pledge Agreement to Tumlinson for the purchase price. The first payment on the note shall not be due until the Corporation shall have paid the two Corporate debts set forth in Paragraph 2 below. Interest on the note shall not begin to accrue on the purchase price until thirty days after passage of the twenty-four months, i.e. the first of the twenty-fifth month following the execution of the Note unless either of the two Corporate debts described in paragraph 2 below have been paid in full earlier, in which case interest shall accrue upon the date of the final payment in full being made and the commencement date shall commence thirty days later. In the event Horton defaults on the Promissory Note, Tumlinson waives his right to pursue a deficiency judgment against Horton in consideration of the automatic transfer of all Buyer's (Horton) stock in Tumlinson Engineering, Inc. to Sellers wherein Sellers shall reacquire the stock pursuant to the terms of the Stock Pledge Agreement/Promissory Note. In addition to the promissory note, the Corporation shall execute an assignment of revenue to Tumlinson as more particularly set forth below. This indebtedness shall be further secured by a pledge of Buyer's stock in the Corporation.

In the event of Default by Buyer or Corporation, and Seller reacquires the stock from Buyer and/or Corporation as the result of default, Seller agrees upon reacquisition of the stock to continue operation of the gas distribution system for the benefit of the rate payers of the Burnsville Gas Company.

2. The Corporation is currently indebted to Anna Tumlinson in the principal sum of Ninety Six Thousand Two Hundred Four Dollars (\$96,204.00), which is evidenced by a Promissory Note and Collateral Pledge Agreement attached hereto as Exhibit "A", and to William M. Tidwell in the principal sum of Seventy Eight Thousand One Hundred Sixty Dollars (\$78,160.00), which indebtedness is evidenced by a promissory note, a copy of which is attached hereto as Exhibit "B". The corporation shall pay monthly the sum of \$8,053.77 to each of these creditors of the Corporation which payment shall be applied first to reduce the debt to both creditors one-half (½) each. At such time as Tidwell's indebtedness is paid in full, the monthly payment

shall then be applied to the balance of the Tumlinson debt until such time as each debt is paid in full.

3. In the event that during any one month of business operations of Tumlinson Engineering, Inc., and an installment is due the "Holder" or either or both of the two corporate creditors, and gross income (as hereinafter defined) of that month is such that 38% of said gross income is less than \$8,063.00, then the amount of the next monthly payment shall be reduced by said deficit amounts in which case the deficit in that installment shall be added to the end of the term of this note and the monthly installments extended past maturity on a monthly basis at \$8,063.00 per month until paid in full under the terms hereof. Gross income shall in all cases refer to the total sales for any one month less the actual cost to the corporation of natural gas for said month.
4. After payment of the adjustments set forth in item 2 above, Buyer's payment of \$1,536.14 shall be made to Evan E. Tumlinson, Sara T. O'Leary and Sarah T. O'Leary, as custodian for Evan Edward O'Leary under the Uniform Mississippi Transfers to Minors Act, or to their designee in a writing executed by Sellers and delivered to Buyer. Until written notification otherwise, all initial payments shall be delivered to E. E. Tumlinson at 944 E. Jordan Avenue Extended, West Point, Mississippi 39773.
5. At any time during the term of the Promissory Note/Collateral Pledge Agreement executed by the Buyer to secure the sale price of this transaction as described in this Purchase Agreement and in Promissory Note/Collateral Pledge Agreement, the Sellers as holders of said Promissory Note/Collateral Pledge Agreement reserve the right to request an audit of the financial records of the Corporation and/or its Subsidiary upon proper notice being given to the Buyer and/or Chief Executive Officer of Tumlinson Engineering, Incorporated. The Buyer agrees to fully cooperate in making financial records available for said audit.
6. Final consummation of the sale of the stock is contingent upon approval of this stock sale agreement by the Mississippi Public Service Commission as required by Rule 8(A) of the Mississippi Public Service Commission's Rules of Practice and Procedure and by the corresponding state agency in the state of Tennessee with regulatory authority over Counce Natural Gas Corporation.
7. Notwithstanding anything herein to the contrary the payments set forth above in paragraphs 2-3 above shall begin 10 days after final approval is

received from the Mississippi Public Service Commission. The due date for the first payment pursuant to the terms of the promissory note/stock pledge agreement shall be due on the first day of the 25th month after the date of the first payment on the obligations set forth in paragraphs 2-3 above.

(b) Corporation agrees to pay to Sellers One Million Eleven Thousand Five Hundred Eighty and 30/100 Dollars (\$1,011,580.30) on the following terms and conditions:

1. The purchase price shall be financed by Sellers at the rate of 6% interest for twenty-five (25) years with a monthly payment of Six Thousand Five Hundred Seventeen and 63/100 Dollars (\$6,517.63), subject to the adjustments set forth below and on the payment schedule set forth below. Corporation shall execute a Promissory Note and Collateral Pledge Agreement to Tumlinson for the purchase price. The first payment on the note shall not be due until the Corporation shall have paid the two Corporate debts set forth in Paragraph 2 below. Interest on the note shall not begin to accrue on the purchase price until thirty days after passage of the twenty-four months, i.e. the first of the twenty-fifth month following the execution of the Note unless either of the two Corporate debts described in paragraph 2 below have been paid in full earlier, in which case interest shall accrue upon the date of the final payment in full being made and the commencement date shall commence thirty days later. In the event Corporation defaults on the Promissory Note, Tumlinson waives his right to pursue a deficiency judgment against Corporation in consideration of the automatic transfer of all Corporation's (Corporation) stock in Tumlinson Engineering, Inc. to Sellers wherein Sellers shall reacquire the stock pursuant to the terms of the Stock Pledge Agreement/Promissory Note. In addition to the promissory note, the Corporation shall execute an assignment of revenue to Tumlinson as more particularly set forth below. This indebtedness shall be further secured by a pledge of Corporation's stock in the Corporation.

In the event of Default by Buyer or Corporation, and Seller reacquires the stock from Buyer or Corporation as the result of default, Seller agrees upon reacquisition of the stock to continue operation of the gas distribution system for the benefit of the rate payers of the Burnsville Gas System.

2. The Corporation is currently indebted to Anna Tumlinson in the principal sum of Ninety Six Thousand Two Hundred Four Dollars (\$96,204.00), which is evidenced by a Promissory Note and Collateral Pledge Agreement attached hereto as Exhibit "A", and to William M. Tidwell in the principal sum of Seventy Eight Thousand One Hundred Sixty Dollars (\$78,160.00),

which indebtedness is evidenced by a promissory note, a copy of which is attached hereto as Exhibit "B". The Corporation's monthly payment of \$8,053.77 shall be applied first to reduce the debt to both creditors one-half (½) each. At such time as Tidwell's indebtedness is paid in full, the monthly payment shall then be applied to the balance of the Tumlinson debt until such time as each debt is paid in full.

- 3 In the event that during any one month of business operations of Tumlinson Engineering, Inc., and an installment is due the "Holder" or either or both of the two corporate creditors, and gross income (as hereinafter defined) of that month is such that 38% of said gross income is less than \$8,063.00, then the amount of the next monthly payment shall be reduced by said deficit amounts in which case the deficit in that installment shall be added to the end of the term of this note and the monthly installments extended past maturity on a monthly basis at \$8,063.00 per month until paid in full under the terms hereof. Gross income shall in all cases refer to the total sales for any one month less the actual cost to the corporation of natural gas for said month.
- 4 After payment of the adjustments set forth in item 2 above, the payment shall be made to Evan E. Tumlinson, Sarah T. O'Leary and Evan Edward O'Leary, or to their designee in a writing executed by Sellers and delivered to Buyer. Until written notification otherwise, all initial payments shall be delivered to E. E. Tumlinson at 944 E. Jordan Avenue Extended, West Point, Mississippi 39773.
- 5 At any time during the term of the Promissory Note/Collateral Pledge Agreement executed by the Buyer to secure the sale price of this transaction as described in this Purchase Agreement and in Promissory Note/Collateral Pledge Agreement, the Sellers as holders of said Promissory Note/Collateral Pledge Agreement reserve the right to request an audit of the financial records of the Corporation and/or its Subsidiary upon proper notice being given to the Buyer and/or Chief Executive Officer of Tumlinson Engineering, Incorporated. The Buyer agree to fully cooperate in making financial records available for said audit.
- 6 Final consummation of the sale of the stock is contingent upon approval of this stock sale agreement by the Mississippi Public Service Commission as required by Rule 8(A) of the Mississippi Public Service Commission's Rules of Practice and Procedure and by the corresponding state agency in the state of Tennessee with regulatory authority over Counce Natural Gas Corporation.

7. Notwithstanding anything herein to the contrary the payments set forth above in paragraph 2-3 above shall begin 10 days after final approval is received from the Mississippi Public Service Commission, including time for appeal of the decision. The due date for the first payment pursuant to the terms of the promissory note/stock pledge agreement shall be due on the first day of the 25th month after the date of the first payment on the obligations set forth in paragraphs 2-3 above.

ARTICLE II.

Sellers Representations and Warranties

Section 2.1. Ownership of Stock. Sellers are the lawful owners, of record and beneficially, of the shares of stock listed in Section 1.1 of this Agreement and have unrestricted power and authority to sell and transfer them to Buyer and Corporation in accordance with the terms of this Agreement. Delivery of Sellers shares to Buyer and Corporation on the date of closing and the day after date of closing will vest title in Buyer and Corporation, free and clear of all liens, encumbrances, claims, and equities of every kind. Sellers will continue to own such shares until they deliver them to the Buyer and Corporation on the date of closing and day after closing.

Section 2.2. Corporation. (a) Corporation has five hundred (500) shares of authorized capital stock at One Hundred Dollars (\$100.00) par value. 43.35 shares have been issued and are outstanding. These outstanding shares have been legally and validly issued and are fully paid and non-assessable. There are no options, warrants, convertible securities, or any other right to purchase or otherwise obtain stock in Corporation, and Corporation will not issue any new shares of stock or grant any rights in shares that have been authorized. The Corporation holds 6.65 shares of stock as Treasury stock which will not be reissued.

(b) Corporation is duly organized, validly existing, and in good standing under the laws of the State of Mississippi. Corporation is qualified to do business in the states where it is currently doing business, which is: Mississippi. Corporation has the power and authority to carry on the business it is presently conducting and owns the property currently being used to carry on its business.

(c) Corporation owns all the outstanding stock of the following corporation: Counce Natural Gas Corporation. These outstanding shares have been legally and validly issued and are fully paid and non-assessable. Subsidiary is duly organized, validly existing, and in good standing under the laws of the State of Tennessee. Subsidiary is qualified to do business where it is currently doing business, which is Tennessee. Subsidiary has the power and authority to carry on the business it is presently conducting and owns the property currently being used to carry on its business.

(d) The minute books of Corporation and its Subsidiary are complete and contains accurate records of all corporate actions by shareholders and Board of Directors.

(e) The copies of the articles of incorporation of Corporation and its Subsidiary are in Exhibit C, the By-Laws of Corporation and its Subsidiaries are in Exhibit D. E. E. Tumlinson is the President of the Corporation and of its only Subsidiary. The only other person holding office in Tumlinson Engineering, Inc., is Donna Webber, Secretary/Treasurer.

The other person holding office, besides E. E. Tumlinson in the subsidiary is Mike Horton as Vice-President, Secretary and Treasurer, of Counce Natural Gas Corporation.

Sole Director of the Corporation is E. E. Tumlinson

Sole Director of Subsidiary is E. E. Tumlinson

(f) This Agreement will not violate Corporation's or its Subsidiary's articles of incorporation or bylaws. This Agreement also will not violate or cause an acceleration of any obligation under any mortgage, lease, order, judgment, lien, or other instrument or agreement to which Corporation or its Subsidiary is bound.

Section 2.3 Financial Statements.

- (a) The copies in Exhibit E of Corporations' financial statements and Subsidiary's financial statements for all prior years in which statements were rendered are true and accurate. These statements have been prepared in accordance with generally accepted accounting principles applied on a consistent basis throughout the periods involved, as prepared by the Corporation's C.P.A.'s, Watkins, Ward, and Stafford.
- (b) Corporation and its Subsidiary have good and marketable title to all of their assets. The list of assets owned by Corporation and its Subsidiary in Exhibit F are true and accurate.

Section 2.4 Liabilities. All liabilities, including contingent liabilities, of Corporation and its Subsidiary have been reflected in their financial statements except for those disclosed in this agreement. There are no threatened, pending, or outstanding claims, judgments, injunctions, investigations, or other proceedings involving Corporation or its Subsidiary, and Sellers have no knowledge of any facts that would give rise to any such claims, judgments, injunctions, investigations, or other proceedings.

Section 2.5 Contracts and Commitments.

- (a) There are no contracts of any kind other than the franchises with the Public

Service Commission of the State of Mississippi and the State of Tennessee, i.e., the Certificates of Public Convenience owned by the Corporation and its Subsidiary. Tumlinson Engineering, Incorporated also owns a franchise from the City of Burnsville, Mississippi.

Section 2.6 Employees.

- (a) Corporation and its Subsidiary are in compliance with all local, state, federal, and foreign laws and regulations governing employees, and there are no threatened or pending claims that Corporation or its Subsidiary are violating any laws or regulations relating to their employees.
- (b) Sellers are not aware of any pending or threatened dispute between either Corporation or its Subsidiary and any of their employees that might materially and adversely affect the continuance of the Corporation's and Subsidiary's business operations.
- (c) There are no employment agreements.
- (d) There is no agreement with any labor union or anyone else with respect to the terms and conditions of employment at Corporation and its Subsidiary.

Section 2.7 Employee Benefit Plans. There are no employee benefit plans.

Section 2.8 Insurance.

- (a) Corporation and its Subsidiary have adequately insured their assets, considering the nature of their business.
- (b) Copies of all insurance carried by Corporation and its Subsidiary are true and accurate.
- (c) All premiums have been paid to date, and all insurance policies are fully in force.

Section 2.9 Taxes.

- (a) Corporation and its Subsidiary have fully reported and paid all local, state federal, and foreign income, excise, profits, franchise, occupation, property, ad valorem, sales, gross receipts, use, and other taxes (including any penalties and interest) and assessments due.
- (b) Sellers have no reason to believe that any deficiency will be assessed

against Corporation and its Subsidiary. There are no taxes that could become a lien on the assets of the Corporation or its Subsidiary except those that have been incurred in the normal business operations of Corporation or its Subsidiary since October 1, 1999.

- (c) The tax returns of Corporation and its Subsidiary have never been audited.
- (d) Corporation and its Subsidiary have not consented to the extension of any statute of limitations relating to taxes or waived any restrictions on the assessment and collection of taxes.

Section 2.10 Compliance with Applicable Law.

- (a) Corporation and its Subsidiary are in compliance with all applicable local, state, federal, and foreign laws and regulations, have no notice of any claimed violation of any of those laws and regulations, and have no reason to believe that they are violating any local, state, federal, or foreign laws or regulations.
- (b) Corporation and its Subsidiary have prepared and filed all information required of them by local, state, federal, and foreign laws and regulations, and have maintained records of all correspondence and documents relating to governmental investigation and action. The execution and fulfillment of this Agreement will not violate any local, state, federal, or foreign laws or regulations.

Section 2.11 Brokers. No agent or broker or other person acting pursuant to authority of Corporation or any of the Sellers is entitled to any commission or finder's fee in connection with the transaction contemplated by this Agreement.

Section 2.12 Changes Since October 1, 1999.

- (a) No liabilities, other than liabilities that normally are incurred during the normal conduct of Corporation's or Subsidiary's business and that have no material adverse effect on the financial condition of Corporation or Subsidiary have been incurred.
- (b) There have been no adverse change in Corporation's or Subsidiary's financial condition or business prospects.
- (c) No salaries have been increased or bonuses paid or promised other than in accordance with pre-existing plans disclosed to Buyer.

- (d) There have been no labor dispute that may materially and adversely affect the current business or prospective business of Corporation or its Subsidiary.
- (e) There have been no litigation or circumstances known by Sellers that may materially and adversely effect the current business or prospective business of Corporation or its Subsidiary.
- (f) No stock has been issued by Corporation or its Subsidiary, and no right to acquire any such stock has been granted.
- (g) Corporation and its Subsidiary have not declared or paid any dividends or made other distributions to its shareholders.
- (h) Neither Corporation nor its Subsidiary have sold or otherwise transferred or purchased any assets other than in the normal course of business.
- (i) There has been no damage, destruction, or loss that has materially affected the property, business, or business prospects of Corporation or its Subsidiary.
- (j) No employee benefit plan or arrangement has been amended or terminated.
- (k) There has been no other event outside the normal course of business that would materially and adversely affect the financial health or current or prospective business prospects of Corporation or its Subsidiary.

Section 2.13 Truth of Statements Made by Sellers. No statement made by Sellers in this Agreement or any document furnished Buyer and Corporation pursuant to or in connection with this Agreement contains or shall contain any material misstatement or omission, or is or shall be misleading.

Section 2.14 Survival of Warranties and Representations. The warranties and representations made by Sellers shall survive the closing and shall be fully operative for one year from the date of closing, after which Sellers will have no liability or obligation of any kind with respect to the representations and warranties except for breaches occurring prior to the expiration of that one year period.

ARTICLE III

Buyer and Corporation's Representations and Warranties

Section 3.1 Brokers. No agent or broker or other person acting pursuant to Buyer's authority is entitled to any commission or finder's fee in connection with the transaction

contemplated by this Agreement.

Section 3.2 Tax Consequences of Sale. Buyer has made no warranty or representation regarding the tax consequences of the transaction contemplated by this Agreement or pursuant to this Agreement.

Section 3.3 Survival of Warranties and Representations. The warranties and representations made by Buyer shall survive the closing and shall be fully operative for one year from the date of closing, after which Buyer will have no liability or obligation of any kind with respect to the representations or warranties except for breaches occurring prior to the expiration of that one year period.

Section 3.4 Issuance of Additional Stock. Buyers agree to take no action which would cause the Corporation to issue additional shares of stock and thereby dilute Buyers ownership or Sellers security interest.

ARTICLE IV.

Business Operations Prior to Closing

Section 4.1 Buyer's Written Consent to Make Changes. Corporation and its Subsidiary shall carry on their business operations diligently and substantially as before this Agreement. No material changes will be made without Buyer's written consent. Examples of material changes are: novel or unique methods of marketing, management, or purchasing supplies; increases in compensation; increases in benefits under any employee benefit plan; indebtedness outside the normal course of business; discharge of indebtedness outside the normal course of business; declaratory payment of any dividends or other distributions; amendment of articles of incorporation or bylaws; issuance or authorization of capital stock; termination of insurance coverage; breach of contract; and sale of assets other than in the ordinary course of business.

Section 4.2 Preserving Business Organization. Corporation and its Subsidiary agree to use their best efforts to preserve the current business relationships each have with their officers, employees, customers, and suppliers.

Section 4.3 Information Supplied to Buyers.

(a) Buyer and his authorized representatives shall have reasonable access to all assets and records of Corporation and its Subsidiary during normal business hours.

(b) Corporation and its Subsidiary will give Buyers interim monthly financial and operating statements, copies of any management reports, and any other information that Buyer reasonably requests.

(c) Corporation and its Subsidiary will promptly notify Buyer of any investigations, proceedings, claims, or litigation threatened or commenced against Corporation and its Subsidiary.

Section 4.4 Audit. Promptly after the execution and delivery of this Agreement, Buyer, at his own expense, may have the books and records of the Corporation and its Subsidiary audited. Sellers agree to have Corporation and its Subsidiary maintain books and records up-to-date to facilitate such an audit.

Section 4.5 Issuance of Additional Shares of Stock. Corporation agrees not to issue additional shares of stock nor reissue Treasury stock without all of Sellers' and Buyer's written consent.

ARTICLE V

Conditions Precedent to Buyer's Obligations

Every obligation of Buyer to be performed on the closing date shall be subject to the following preconditions:

Section 5.1. Truth and Accuracy of Representations and Warranties. Representations and warranties made by Corporation and Sellers shall be substantially accurate in all material respects on and as of the closing date and shall have the same effect as though they had been made or given on the closing date.

Section 5.2. Compliance with Agreement. Corporation shall have performed and complied with, all of its obligations under this Agreement that are to be performed or complied with by Corporation prior to or on the closing date.

Section 5.3. Delivery of Satisfactory Documents. All documents to be delivered by Sellers to Buyer and Corporation have been delivered in satisfactory form to Buyer and Corporation by the date of closing.

Section 5.4. Litigation. There is no litigation or other type of proceeding to prohibit or obtain damages or other relief in connection with this Agreement. To the best of Sellers knowledge, there is no litigation or other type of proceeding making material claims against Corporation.

Section 5.5 Employment of Key Employees. There are no employment agreements with any employees of the Corporation or its Subsidiary.

Section 5.6 Attorney's Opinion. Thomas B. Storey, Jr., Sellers attorney, must give Buyer a written opinion that:

(a) Corporation and its Subsidiary are duly organized, validly existing, and in good standing under the laws of the jurisdictions where the nature of their business makes qualification necessary.

(b) Corporation and its Subsidiary have the corporate power to own their assets and carry on their business as now being conducted.

(c) Sellers have good and marketable title to Corporation's stock, free and clear of all liens, claims, charges, security interests, and encumbrances.

(d) Shares to be purchased by Buyer and Corporation have been validly issued and are fully paid and non-assessable.

(e) There are no outstanding options, warrants, or other rights to subscribe to any issued and outstanding shares of Corporation.

(f) This Agreement has been validly executed and delivered by Sellers to Buyer and Corporation and constitutes a valid and legally binding obligation of Sellers enforceable in accordance with its terms.

(g) No authorizations, consents, or approvals of any governmental agency are required in order to permit Corporation and its Subsidiary to continue to conduct their business.

(h) Attorney has no knowledge of any litigation or other proceedings or governmental investigations threatened or pending against Corporation and its Subsidiary.

(i) Attorney has no reason to believe that Corporation and its Subsidiary are in violation of any local, state, federal, or foreign laws and regulations.

(j) Attorney has no reason to believe that any of Sellers' warranties and representations are false.

Section 5.7 Closing. Closing must take place no later than thirty days after receipt of approval of the Mississippi Public Service Commission as set forth in Article 1.2 (a)(7).

ARTICLE VI.

Conditions Precedent to Sellers Obligations

Every obligation of Sellers to be performed on the closing date shall be subject to the following preconditions:

Section 6.1. Truth and Accuracy of Representation and Warranties. Representations and warranties made by Buyer and Corporation shall be substantially accurate in all material respects on and as of the closing date and shall have the same effect as though they had been made or given on the closing date.

Section 6.2. Compliance with Agreement. Buyer and Corporation have performed and complied with all of its obligations under this Agreement that are to be performed or complied with by Buyer and Corporation prior to or on the closing date.

Section 6.3. Closing. Closing must take place no later than thirty days after receipt of approval of the Mississippi Public Service Commission as set forth in Article 1.2 (a)(7).

ARTICLE VII.

Covenant Not To Compete

Section 7.1. Covenant Not to Compete. The Seller, E. E. Tumlinson, individually, agrees that for a period of three years following the date of closing he will not engage (as an individual, partner, agent, employee, consultant, or representative) or have any direct or indirect proprietary interest of any kind in any firm or enterprise engaged in a business competitive with the business conducted by the corporation as of the closing date without the Buyer's and Corporation's written consent within the geographic area of the certificated areas of the Counce Natural Gas Corporation and Tumlinson Engineering, Inc., d/b/a Burnsville Gas Company.

Section 7.2. Damages for Breach. Sellers agree that compliance with Section 7.1 of this Agreement is necessary to protect the goodwill and other proprietary interest of Buyer and Corporation and that a breach of this covenant will result in irreparable and continuing damage to Buyer and Corporation for which there will be no adequate remedy at law and that in the event of any breach of this covenant, Buyer and Corporation shall be entitled to injunctive and other relief, including damages, as may be proper.

ARTICLE VIII.

Indemnification

Section 8.1. Indemnification of Buyer and Corporation. Sellers agree to indemnify, defend and hold Buyer and Corporation and their successors and assigns harmless against any claims, demands, liability or obligations (including attorney's fees and expenses and collectively referred to in this Agreement as "Claims") based upon or arising out of any of the following matters:

- (a) The falsity or breach by Sellers of any of their representations and warranties or

agreements and undertakings under this Agreement.

(b) Claims, demands, liability, or obligations asserted against Corporation and its Subsidiary based upon or arising out of sales made prior to the closing date or related to transactions or matters occurring prior to the closing date; or

Section 8.2 Notice Required. Buyer and Corporation shall promptly notify Sellers of any claims specified by Section 8.1 of this Agreement that it discovers.

Section 8.3 Settlement of Claim. Unless Sellers object within thirty business days following the mailing of the notice described in Section 8.2 of this Agreement, Buyer and Corporation may satisfy any claim specified by Section 8.1 of this Agreement, and it will be presumed conclusively that Sellers do not dispute the validity, amount, basis, and/or disposition of the claim. If Sellers notify Buyer and Corporation that they object to any or any part of the disposition of such a claim, then Sellers shall have the right to participate in and/or direct the defense against any claim and to compromise or settle any claim. Sellers must have Buyer's consent to settle or compromise any claim unless the compromise or settlement releases Buyer and Corporation from all liability with respect to the claim.

Section 8.4 Reimbursement of Buyer. It is expressly agreed that should any audits in the State of Tennessee, State of Mississippi, or by the Internal Revenue Service reveal any state or federal liabilities, including, but not limited to sales, income, franchise, or other applicable liabilities discovered as a result of said audit and which were incurred as a result of activities of Tumlinson Engineering, Inc. on or before October 1, 2000 and if said deficiencies and/or liabilities shall be paid by the corporation, an equal amount shall be reimbursed to Buyer by credit to the principal of the Promissory Note or Notes due the Sellers pursuant to this agreement.

Section 8.5 Effect of Insurance. If any claim against Corporation or its Subsidiary is covered by insurance, then Sellers' obligation to indemnify Buyer shall be reduced by any amounts recovered pursuant to such insurance.

ARTICLE IX

Closing

Section 9.1. Time and Place of Closing. The sale contemplated by this Agreement shall take place at the office of Thomas M. McElroy, P.A., in Tupelo, Mississippi, within thirty days after receipt of approval of the Mississippi Public Service Commission or at such other time and place as Sellers and Buyer and Corporation may mutually agree. This date is referred to in this Agreement as the closing date.

Section 9.2. Documents to be Delivered by Sellers. On the closing date, Sellers shall deliver to Buyer and Corporation:

- (a) Certificates for the shares of stock of Corporation to be sold by each of the Sellers. Each certificate shall be endorsed in blank by Sellers or accompanied by a duly executed stock power in blank.
- (b) The stock books, corporate seal, and minute books of Corporation and its Subsidiary.
- (c) Written opinion of Thomas B. Storey, Jr., Attorney for Sellers, dated as of the closing date, addressed to Buyer, and containing the statements specified by Section 5.6 of this Agreement.
- (d) Written resignations from E. E. Tumlinson, President, and Donna Webber, Secretary-Treasurer and E. E. Tumlinson as Sole Director of Tumlinson Engineering, Incorporated and E. E. Tumlinson, President and E. E. Tumlinson as Sole Director of Counce Natural Gas Corp.
- (e) Certificate from each of the Sellers and each officer or director of the Corporation and its Subsidiary that he or she has no claims of any kind against Corporation and its Subsidiary except for any unpaid salary for the month in which the closing takes place.

Section 9.3. Documents to be Delivered by Buyer: On the closing date, Buyer shall deliver to Sellers:

- (a) Certified or bank cashier's check in the amount specified by Section 1.3 of this Agreement.
- (b) Promissory Note/Collateral Pledge Agreement in the amount and under the terms specified by Section 1.2 of this Agreement.
- (c) Assignment of Income.

ARTICLE X

Termination of Agreement

Section 10.1. Reasons for Terminating Agreement. This Agreement may be terminated no later than the date of closing by:

- (a) Mutual consent of Sellers and Buyer and Corporation;

(b) Buyer and Corporation if any of the preconditions specified in Article II have not been satisfied and have not been waived by Buyer and Corporation in writing; or

(c) Seller if any of the preconditions specified in Article III have not been waived by Sellers in writing.

Section 10.2 Notice Required. Written notice of termination must be given to the other parties.

Section 10.3. Damages. Despite termination, each party shall be responsible for paying its own expenses incident to the preparation and consummation of this Agreement.

ARTICLE XI

Miscellaneous Provisions

Section 11.1 Amendment and Modification. This Agreement may be amended only in writing signed by the parties or their authorized representatives. This Agreement may not be amended or terminated orally.

Section 11.2 Assignment. This Agreement and any rights under this Agreement may not be assigned by Sellers or Buyer and Corporation without the written approval of the other party. Any attempt to make an assignment without written approval shall have no legal effect.

Section 11.3 Notices. All notices, requests, demands, and other communications pursuant to this Agreement shall be deemed to have been duly given if they are delivered by hand or mailed by certified or registered mail with postage prepaid to Sellers at P.O. Box 736, West Point, MS 39773, or any other address that Sellers furnish Buyer and Corporation in writing or to Buyer and Corporation at P.O. Box 56, Mantachie, MS 38855, or any other address that Buyer and Corporation furnish Sellers in writing.

Section 11.4 Announcements. Announcements concerning the transactions provided for in this Agreement may be made by any party at any time following the signing of this Agreement. The essential aspects of each announcement must be approved by the other parties.

Section 11.5 Entire Agreement. This Agreement embodies the entire agreement between the parties with respect to the transactions contemplated, and there have been no agreements, representations or warranties other than those set forth in this Agreement.

Section 11.6 Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same Agreement.

Section 11.7 Additional Documents. Sellers, Corporation and Buyer and Corporation agree to execute any documents and take any action necessary or helpful to carry out the terms of the Agreement.

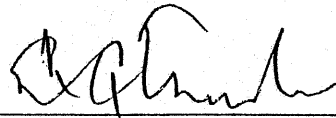
Section 11.8 Headings. The headings in the sections of this Agreement have been inserted for convenience only and shall not constitute a part of the Agreement.

Section 11.9 Governing Law. This Agreement shall be construed according to the laws of the State of Mississippi.

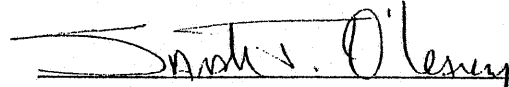
In witness whereof, the parties have duly executed this Agreement on the date and year first written above.

Dated, this the 7th day of March, 2001, nunc pro tunc to October 1, 2000.

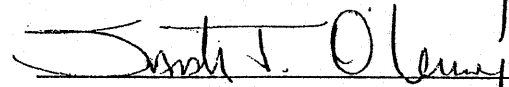
SELLERS:



EVAN E. TUMLINSON



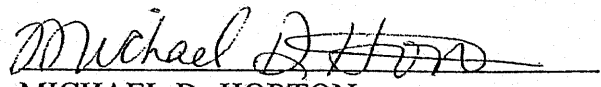
SARAH T. O'LEARY



SARAH T. O'LEARY, AS CUSTODIAN
FOR EVAN. EDWARD O'LEARY
UNDER THE UNIFORM MISSISSIPPI
TRANSFERS TO MINORS ACT

Dated, this the 7th day of March, 2001, nunc pro tunc to October 1, 2000.

BUYER:

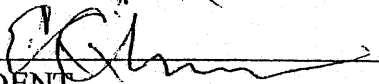


MICHAEL D. HORTON

Dated, this the 7th day of March, 2001, nunc pro tunc to October 1, 2000.

CORPORATION:

TUMLINSON ENGINEERING, INC., a
Mississippi Corporation

By: 
PRESIDENT

INSTALLMENT PROMISSORY NOTE

\$96,204.00

Date: _____, 2001

FOR VALUE RECEIVED, the undersigned maker, Tumlinson Engineering, Inc., does hereby promise to pay to the order of ANNA TUMLINSON, or assigns, the sum of Ninety six thousand two hundred four & 00/100 (\$96,204.00) Dollars with no interest thereon, being payable as follows:

Equal consecutive installments of \$4,031.50 each, commencing _____, 2001, and continuing for _____ consecutive months on the same day of each month thereafter until \$78,160.00 has been paid; and a 20th monthly payment adjusted during the 20th month for partial credit of \$78,160.00; said installments shall then increase to \$8,063.00 per month for three months commencing on the 21st month and continuing for two months thereafter until the entire indebtedness is paid in full.

If default is made in the payment of any installment under this note and if the default is not made good within thirty (30) days thereafter, or if default is made in the observance or performance of any obligation of maker under the provisions of said Deed of Trust, then, in either event, the amount due under this note shall at once become due and payable, without notice, at the option of the holder of this note. Failure to exercise this option shall not constitute a waiver of the right to exercise the same in the event of any subsequent default. In the event of default in the payment of this note and if the same is placed in the hands of an attorney for collection, the undersigned agree to pay all costs of collection, including a reasonable attorney's fee.

Any past due installment, more than fifteen (15) days past due, shall bear a late payment charge of 4% of the amount of the installment.

The parties agree that there shall be no prepayment penalty and any prepayment of this note shall be applied in the inverse order of maturity.

The maker of this note waives presentment for payment, notice of dishonor and protest.

This Note is not assumable.

TUMLINSON ENGINEERING, INC.

By: _____
E.E. Tumlinson, President

INSTALLMENT PROMISSORY NOTE

\$78,160.00

Date: _____, 2001

FOR VALUE RECEIVED, the undersigned maker, Tumlinson Engineering, Inc., does hereby promise to pay to the order of Mel Tidwell or assigns, the sum of Seventy eight thousand one hundred sixty & no/100 (\$78,160.00) Dollars with no interest thereon, being payable as follows:

19 equal consecutive monthly installments of \$4,031.50 each, commencing _____, 2001, and one (20th) installment of the remaining balance said payments shall be due on the same day of each month thereafter until \$78,160.00 has been paid.

If default is made in the payment of any installment under this note and if the default is not made good within thirty (30) days thereafter, or if default is made in the observance or performance of any obligation of maker under the provisions of said Deed of Trust, then, in either event, the amount due under this note shall at once become due and payable, without notice, at the option of the holder of this note. Failure to exercise this option shall not constitute a waiver of the right to exercise the same in the event of any subsequent default. In the event of default in the payment of this note and if the same is placed in the hands of an attorney for collection, the undersigned agree to pay all costs of collection, including a reasonable attorney's fee.

Any past due installment, more than fifteen (15) days past due, shall bear a late payment charge of 4% of the amount of the installment.

The parties agree that there shall be no prepayment penalty and any prepayment of this note shall be applied in the inverse order of maturity.

The maker of this note waives presentment for payment, notice of dishonor and protest.

This Note is not assumable.

TUMLINSON ENGINEERING, INC.

By: _____
E.E. Tumlinson, President

EXHIBIT D

SCHEDULE OF OTHER MISSISSIPPI UTILITY OPERATIONS

NONE

The Corporation owns 100% of the stock of Counce Natural Gas Corporation, a Tennessee corporation, and holds a certificate of necessity for the Counce, Tennessee area from the Tennessee Regulatory Commission.

EXHIBIT D- BALANCE SHEET

EXHIBIT D BALANCE SHEET FOR TUMLINSON ENGINEERING, INC.

This Exhibit contains proprietary and confidential information and is being filed separately under seal.